

OGC HAS REVIEWED.

The Legal Inspector  
DAP Branch

26 May 1948

General Counsel

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Contract [redacted]

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1. Attached is a photostat of the above-identified  
contract between the United States Government [redacted]

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[redacted] For communication service  
between [redacted] this contract has been  
submitted to this office for approval as to legal form,  
but two items require clarification before such approval  
can be given.

2. First, you will note that, under "Particulars",  
annual rent is stated at 1375 1/4 s. in accordance with  
the attached schedule. There is then listed a 25% sur-  
charge in the amount of 335 8 s. 6 d. No explanation  
of the surcharge is contained in the file. Approval  
cannot be given to the contract without explanation or  
justification of this surcharge.

3. In paragraph 9 of the attached schedule, it is  
stated that the renter will be responsible on demand by  
the [redacted] for payment for property of any  
sort used in connection with this contract which is  
destroyed or damaged by any cause or shall at any time be  
missing from the premises. This, in effect, makes [redacted]  
a guarantor of all equipment furnished by the [redacted]

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[redacted] for this service. This is an unusual pro-  
vision which is not in accordance with normal lease  
conditions. A request should be made for amendment of  
this provision to provide that the renter will pay for  
any equipment damaged or lost due to the negligence or  
failure to exercise due care of any employee or agent  
of [redacted]. If this charge, or some equivalent provision,  
is not acceptable to the [redacted] information  
to that effect should be furnished to this office, together  
with a full explanation of the circumstances. The attached  
copy of the contract should also be returned to this office.

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cc: [redacted]

LAWRENCE R. HOUSTON

LRH:subt